

## Legislation Text

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**File #:** BILL NO. 16-170, **Version:** 2

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AN ORDINANCE APPROVING AMENDMENT NO.2 TO THE BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2017, AS ADOPTED BY ORDINANCE NO. 7894, BY REVISING THE AUTHORIZED BUDGET EXPENDITURES OF THE CITY OF LEE'S SUMMIT, MISSOURI WITH FUNDS TO BE BUDGETED FOR AND PAYMENT TO BE ISSUED IN FY2017 FROM THE GENERAL FUND RESERVE BALANCE.

Issue/Request:

AN ORDINANCE APPROVING AMENDMENT NO.2 TO THE BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2017, AS ADOPTED BY ORDINANCE NO. 7894, BY REVISING THE AUTHORIZED BUDGET EXPENDITURES OF THE CITY OF LEE'S SUMMIT, MISSOURI WITH FUNDS TO BE BUDGETED FOR AND PAYMENT TO BE ISSUED IN FY2017 FROM THE GENERAL FUND RESERVE BALANCE.

Key Issues:

The proposed budget amendment would authorize funding for a compensation study. Compensation and benefit amounts are a primary factor that helps the City attract and retain a qualified and professional workforce. The proposed study would provide the City with information regarding the competitiveness of our compensation and benefit programs relative to the 'market' and our comparators.

As part of the study, the City Council will be asked to consider a compensation philosophy. The compensation philosophy should be a City Council/Management tool that strategically establishes a target level of competitiveness to market for all city positions, prioritizes goals for total compensation, and guides administration of pay and benefit practices. With input and feedback from the City Council, the City will ultimately seek to adopt a compensation policy to serve as the City's official guidelines to manage the delivery of compensation and benefits.

Following the creation of the compensation philosophy, the compensation study will provide a review of the existing compensation and classification plan to identify market equity position or competitiveness position, recommend compensation/benefit changes based on current compensation and classification structure, and recommend compensation/benefit changes based on the outcome of compensation philosophy discussion.

Regularly reviewing compensation and benefit amounts is a healthy practice and is recommended by many professional organizations. As an example, the Commission of Fire Accreditation International (CFAI) has recommended, as part of the accreditation efforts of the Fire Department, that the *"City and agency review the existing firefighter compensation package comparing it to similar agencies to ensure those benefits are such as to retain a tenured workforce."*

Funding for this study is requested from the General Fund reserve balance and has an expected cost of approximately \$250,000.

Proposed City Council Motion:

I move to recommend to City Council AN ORDINANCE APPROVING AMENDMENT NO.2 TO THE BUDGET

FOR THE FISCAL YEAR ENDING JUNE 30, 2017, AS ADOPTED BY ORDINANCE NO. 7894, BY REVISING THE AUTHORIZED BUDGET EXPENDITURES OF THE CITY OF LEE'S SUMMIT, MISSOURI WITH FUNDS TO BE BUDGETED FOR AND PAYMENT TO BE ISSUED IN FY2017 FROM THE GENERAL FUND RESERVE BALANCE.

Background:

The City has conducted 2 compensation studies during the last 10 year period (Higbee 2006 & Evergreen 2011). The City also regularly reviews wages and benefits for 3 collective bargaining groups (International Association of Fire Fighters, Fraternal Order of Police, and the International Association of Machinists and Aerospace Workers). Including the Parks Department, the City has 315 unique positions and approximately 767 full time equivalents (FTE). The City currently has 24 unique pay scales, or ranges, and includes executive leadership positions, department director positions, managers, supervisors, and field personnel.

Presenter: City Manager Steve Arbo

Recommendation: Staff Recommends Approval

Committee Recommendation: N/A